



COMMODITY FUTURES TRADING COMMISSION

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Division of
Enforcement

April 5, 2018

By ECF and Facsimile

The Honorable Laura Taylor Swain
United States District Court Judge
Southern District of New York
Daniel Patrick Moynihan United States Courthouse
500 Pearl Street
New York, NY 10007

Re: *U.S. Commodity Futures Trading Commission v. Michael S. Wright et al.*,
No. 17-cv-4722 (LTS) (DCF)

Dear Judge Swain:

We represent Plaintiff U.S. Commodity Futures Trading Commission in the above-captioned matter. On July 7, 2017, the Court referred this action to Magistrate Judge Freeman for General Pretrial matters. (ECF 9.) On August 30, 2017, Magistrate Judge Freeman entered an order (ECF 14) staying this civil case in light of the pendency of a related criminal matter, *United States v. Michael Wright*, 17 Cr. 459 (PAE). On October 13, 2017, Mr. Wright pled guilty in the criminal matter to Count One of the Indictment against him (commodities fraud) pursuant to a written plea agreement with the government. Mr. Wright was sentenced on January 25, 2018.

By letter dated February 28, 2018, the parties informed Magistrate Judge Freeman that the criminal matter has been resolved; that Plaintiff and Mr. Wright have finalized a settlement agreement and are prepared to submit the settlement to the Court for approval; that Plaintiff intended to seek a default judgment against Defendant Wright Time Capital Group LLC (d/b/a Global FX Club) ("WTCG"), which has not obtained counsel in this action and has not responded to Plaintiff's complaint; and that Plaintiff and Mr. Wright requested that the Court lift the stay. (*See* ECF 23.) On April 2, 2018, Magistrate Judge Freeman entered an order lifting the stay and permitting Plaintiff to proceed with seeking a certificate of default against WTCG and to move for a default judgment against it. (ECF 14.) On April 4, 2018, the Clerk of Court issued a certificate of default as to Defendant WTCG. (ECF 26.)

In order to present a complete resolution to this action, Plaintiff wishes to present the settlement with Defendant Wright to the Court for approval at the same time it files its motion for default judgment against Defendant WTCG. In Plaintiff's anticipated motion for default judgment, Plaintiff intends to seek a permanent injunction; an order of restitution in the same amount as agreed in the proposed settlement with Defendant Wright; and a civil monetary penalty in the amount of triple the monetary gain, in accordance with Section 6c(d)(1)(A) of the Commodity Exchange Act, 7 U.S.C. § 13a-1(d)(1)(A) (2012). In accordance with Rule A.2.d. of this Court's Individual Practices, Plaintiff requests the Court's direction as to whether an

evidentiary submission will be required in connection with the motion for default judgment, and if so, guidance as to what type of evidentiary submission is required.

Respectfully submitted,

s/ Alejandra de Urioste

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cc: Michael S. Wright (via email and certified mail to Metropolitan Detention Center,
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Wright Time Capital Group LLC (via certified mail to last known business address)